



March 27th, 2018

Honorable Mike McGuire
Chair, Senate Governance and Finance Committee
California State Capitol, Room 408
Sacramento, CA 95814
Fax: 916-322-0298

Sent via Fax & Email

Re: SB 946 (Lara) -- Support

Dear Chair McGuire and committee members:

On behalf of Opportunity Fund, I am writing to express our strong support for SB 946 (Lara) to protect workers and immigrant communities and enhance economic opportunity in California.

Opportunity fund is a 501(c)3 non-profit, community development financial institution (CDFI), serving California since 1994. Our mission is to advance the economic well-being of working people by helping them earn, save and invest in their future. We are the nation's largest CDFI microlender having invested over \$140 million in small business in California from 2015-2017 alone. As a provider of affordable, responsible loans between \$2,500 and \$250,000 our clients range from small single stall vendors to large commercial restaurants with multiple locations. What we have learned from our work is that these entrepreneurs start their businesses for a multitude of reasons; chief among them providing food, shelter, and stability for their families.

Across California, tens of thousands of people work as sidewalk vendors - selling delicious food and offering sought-after merchandise on public sidewalks and in public parks. For many Californians, including many immigrant families excluded from other opportunities in the formal economy, sidewalk vending offers a chance to start and grow a business. Safe, regulated sidewalk vending is also an integral part of the fabric of our communities. Studies have demonstrated that sidewalk vending generates millions in local and state tax revenue as vendors buy supplies from local businesses and circulate money in communities that are often ignored by mainstream capital. In many food desert communities, fruit and vegetable vendors are the only source of healthy food retail available. Vendors activate commercial corridors, increase pedestrian foot traffic and provide eyes on the street to make neighborhoods safer and more dynamic.

Yet, despite the immense value to our communities, sidewalk vending is unfairly criminalized in cities and counties across California. Some jurisdictions impose an outright prohibition on sidewalk vending, while others impose onerous restrictions that severely limit vending and force workers into the informal economy. As a result, many sidewalk vendors face a harrowing catch-22: permits are impossible to obtain, but vending without a permit is prosecuted as a crime – often a misdemeanor. As a result, hardworking entrepreneurs who provide necessary goods are treated as criminals.



The criminalization of sidewalk vending has significant and devastating consequences, especially in immigrant communities. Vendors charged with a misdemeanor can face penalties of six months in jail and \$1,000 in fines, as well as the potential seizure of personal property. One misdemeanor charge can have devastating effects on entire families that rely on the vendor's income to pay rent and put food on the table. These entrepreneurs are also discouraged from investing in their own business as the confiscation of their property and court fines often wipe out any capital they may accumulate. Some immigrant vendors face the risk of being transferred to, or picked up by, federal immigration officials after being released from custody. Moreover, some vendors may be at heightened risk for deportation even if they are not ultimately charged or convicted.

For all the reasons above, Opportunity Fund supports SB 946. SB 946 decriminalizes sidewalk vending, while allowing local jurisdictions to continue to enforce vending rules through non-criminal administrative fines and procedures. SB 946 also encourages local jurisdictions to adopt local sidewalk vending permitting regulations that will protect public safety while promoting entrepreneurship and economic mobility. By encouraging local jurisdictions to support and properly regulate sidewalk vending, SB 946 will help protect California's low-income immigrants and workers, promote safe and regulated vending, and create new opportunity for entrepreneurship and economic mobility throughout the state.

Thank you for your consideration of these comments. We urge you to support SB 946.

Sincerely,

Luz Urrutia, Chief Executive Officer
Opportunity Fund

CC:

Senator Janet Nguyen, Vice Chair

Senator Jim Beall

Senator Ed Hernandez

Senator Robert M. Hertzberg

Senator Ricardo Lara

Senator John M. W. Moorlach

Estevan Ginsburg, Senate Fellow, Office of Senator Holly J. Mitchell